

ABSTRACT OF THE DISCLOSURE

As the target compression rate is set higher, the ratio of a DC component quantization step and an AC component quantization step (referred to as a "DC/AC quantization ratio" is adjusted to a smaller value and then a compression size adjustment is implemented while sustaining the DC/AC quantization ratio at a substantially constant value. In addition, if the compression rate is set higher than a predetermined factor, the DC/AC quantization ratio is fixed at a constant value regardless of the target compression rate setting to prevent the DC component quantization step from becoming excessively small.